

Message Text

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ACTION EB-07

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FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 2094

C O N F I D E N T I A L TOKYO 13410

E.O. 11652: GDS

TAGS: EFIN, JA

SUBJECT: FINANCING OF EAST-WEST TRADE

REF: A) STATE A-3483 B) TOKYO 3760

1. FEW DETAILS ARE PUBLISHED IN JAPAN ON CREDITS TO EAST EUROPEAN AND USSR, BUT FOREIGN OFFICE (TOGO, FIRST EAST EUROPE DIVISION DIRECTOR AND ONODERA, SECOND EAST EUROPE DIVISION DIRECTOR) PROVIDED FOLLOWING CONFIDENTIAL BREAK-DOWN OF JAPANESE CREDITS TO COMMUNIST EUROPE. REF B ABOVE ALSO PROVIDES VALUABLE INFORMATION ON JAPANESE CREDITS TO EAST EUROPE.

2. SOVIET UNION: A) OUTSTANDING DEBT ON OFFICIAL FINANCING BASIS AS OF JUNE 30, 1976: \$470 MILLION; B) OUTSTANDING COMMERCIAL BANK DEBT AS OF JUNE 30: \$176 MILLION; C) SIBERIAN DEVELOPMENT PROJECTS: \$293 MILLION IN SUPPLIERS' CREDITS (70 PERCENT PROVIDED BY JAPAN EXIM BANK) AND \$1,177 MILLION IN BANK LOANS (90 PERCENT PROVIDED BY EXIM); D) AMMONIA PLANTS: \$460 MILLION BANK LOAN (70 PERCENT OFFICIAL); E) STEEL PIPE: \$440 MILLION (60 PERCENT OFFICIAL). NO BREAKDOWN WAS AVAILABLE AS TO AMOUNTS ALREADY DRAWN DOWN VERSUS UNUTILIZED COMMITMENTS. AS FAR AS MOFA IS AWARE JAPANESE COMPANIES DO NOT EXTEND PRIVATE CREDITS TO THE SOVIET UNION. TOTAL OUTSTANDING AND UNDISBURSED CREDITS/ (A THRU E): \$3,016 MILLION.

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3. POLAND: A) OUTSTANDING DEBT AS OF DECEMBER 31, 1975:

\$121 MILLION (BOTH OFFICIAL AND COMMERCIAL); B) UNDISBURSED TIED CREDIT LINE: \$450 MILLION FOR TWO YEARS.

4. ROMANIA: A) OUTSTANDING DEBT AS OF DECEMBER 31: \$77 MILLION; B) TWO YEAR TIED CREDIT LINE: \$330 MILLION; C) UNDISBURSED EXIM LOAN FOR PORT EXPANSION: \$80 MILLION.

5. BULGARIA: A) OUTSTANDING DEBT AS OF DECEMBER 31: \$18 MILLION; B) UNDISBURSED CREDITS: \$40 MILLION; C) TWO YEAR CREDIT LINES: \$280 MILLION; D) PARTIALLY DISBURSED JAPAN ECONOMIC COOPERATION FUND LOAN TO BUILD A HOTEL: \$20 MILLION.

6. CZECHOSLOVAKIA: OUTSTANDING DEBTS AS OF DECEMBER 31: \$33 MILLION.

7. EAST GERMANY: OUTSTANDING DEBT AS OF DECEMBER 31: \$54 MILLION.

8. IN ADDITION TO THE ABOVE, MOFA BELIEVES JAPANESE PRIVATE BANKS HAVE EXTENDED "MINOR AMOUNTS" OF EURODOLLAR FINANCING TO EAST EUROPEAN COUNTRIES (BUT NOT THE USSR).
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Message Attributes

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